

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The State Revenue Sharing Act is amended by  
5 changing Section 1 as follows:

6 (30 ILCS 115/1) (from Ch. 85, par. 611)

7 Sec. 1. Local Government Distributive Fund.

8 (a) Through June 30, 1994, as soon as may be after the  
9 first day of each month the Department of Revenue shall certify  
10 to the Treasurer an amount equal to 1/12 of the net revenue  
11 realized from the tax imposed by subsections (a) and (b) of  
12 Section 201 of the Illinois Income Tax Act during the preceding  
13 month.

14 Beginning July 1, 1994, and continuing through June 30,  
15 1995, as soon as may be after the first day of each month, the  
16 Department of Revenue shall certify to the Treasurer an amount  
17 equal to 1/11 of the net revenue realized from the tax imposed  
18 by subsections (a) and (b) of Section 201 of the Illinois  
19 Income Tax Act during the preceding month.

20 Beginning July 1, 1995 and continuing through December 31,  
21 2013, as soon as may be after the first day of each month, the  
22 Department of Revenue shall certify to the Treasurer an amount  
23 equal to 1/10 of the net revenue realized from the tax imposed

1 by subsections (a) and (b) of Section 201 of the Illinois  
2 Income Tax Act during the preceding month.

3 For the purpose of this subsection (a), net ~~Net~~ revenue  
4 realized for a month shall be defined as the revenue from the  
5 tax imposed by subsections (a) and (b) of Section 201 of the  
6 Illinois Income Tax Act which is deposited in the General  
7 Revenue Fund, the Education Assistance Fund and the Income Tax  
8 Surcharge Local Government Distributive Fund during the month  
9 minus the amount paid out of the General Revenue Fund in State  
10 warrants during that same month as refunds to taxpayers for  
11 overpayment of liability under the tax imposed by subsections  
12 (a) and (b) of Section 201 of the Illinois Income Tax Act.

13 Upon receipt of a ~~such~~ certification under this subsection  
14 (a), the Treasurer shall transfer from the General Revenue Fund  
15 to a special fund in the State treasury, to be known as the  
16 "Local Government Distributive Fund", the amount shown on such  
17 certification.

18 (b) Beginning January 1, 2014, for all payments collected  
19 on or after December 1, 2013, the Department of Revenue shall,  
20 immediately upon receipt, deposit into the Local Government  
21 Distributive Fund the amounts required to be deposited into the  
22 Local Government Distributive Fund under subsection (b) of  
23 Section 901 of the Illinois Income Tax Act.

24 (c) All amounts paid into the Local Government Distributive  
25 Fund in accordance with this Section and allocated pursuant to  
26 this Act are appropriated on a continuing basis.

1 (Source: P.A. 88-89.)

2 Section 10. The Illinois Income Tax Act is amended by  
3 changing Section 901 as follows:

4 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

5 Sec. 901. Collection Authority.

6 (a) In general.

7 The Department shall collect the taxes imposed by this Act.  
8 The Department shall collect certified past due child support  
9 amounts under Section 2505-650 of the Department of Revenue Law  
10 (20 ILCS 2505/2505-650). Except as provided in subsections (c),  
11 (e), (f), and (g) of this Section, money collected pursuant to  
12 subsections (a) and (b) of Section 201 of this Act shall be  
13 paid into the General Revenue Fund in the State treasury; money  
14 collected pursuant to subsections (c) and (d) of Section 201 of  
15 this Act shall be paid into the Personal Property Tax  
16 Replacement Fund, a special fund in the State Treasury; and  
17 money collected under Section 2505-650 of the Department of  
18 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the  
19 Child Support Enforcement Trust Fund, a special fund outside  
20 the State Treasury, or to the State Disbursement Unit  
21 established under Section 10-26 of the Illinois Public Aid  
22 Code, as directed by the Department of Healthcare and Family  
23 Services.

24 (b) Local Government Distributive Fund.

1           Beginning August 1, 1969, and continuing through June 30,  
2 1994, the Treasurer shall transfer each month from the General  
3 Revenue Fund to a special fund in the State treasury, to be  
4 known as the "Local Government Distributive Fund", an amount  
5 equal to 1/12 of the net revenue realized from the tax imposed  
6 by subsections (a) and (b) of Section 201 of this Act during  
7 the preceding month. Beginning July 1, 1994, and continuing  
8 through June 30, 1995, the Treasurer shall transfer each month  
9 from the General Revenue Fund to the Local Government  
10 Distributive Fund an amount equal to 1/11 of the net revenue  
11 realized from the tax imposed by subsections (a) and (b) of  
12 Section 201 of this Act during the preceding month. Beginning  
13 July 1, 1995 and continuing through January 31, 2011, the  
14 Treasurer shall transfer each month from the General Revenue  
15 Fund to the Local Government Distributive Fund an amount equal  
16 to the net of (i) 1/10 of the net revenue realized from the tax  
17 imposed by subsections (a) and (b) of Section 201 of the  
18 Illinois Income Tax Act during the preceding month (ii) minus,  
19 beginning July 1, 2003 and ending June 30, 2004, \$6,666,666,  
20 and beginning July 1, 2004, zero. Beginning February 1, 2011,  
21 and continuing through December 31, 2013 ~~January 31, 2015~~, the  
22 Treasurer shall transfer each month from the General Revenue  
23 Fund to the Local Government Distributive Fund an amount equal  
24 to the sum of (i) 6% (10% of the ratio of the 3% individual  
25 income tax rate prior to 2011 to the 5% individual income tax  
26 rate after 2010) of the net revenue realized from the tax

1 imposed by subsections (a) and (b) of Section 201 of this Act  
2 upon individuals, trusts, and estates during the preceding  
3 month and (ii) 6.86% (10% of the ratio of the 4.8% corporate  
4 income tax rate prior to 2011 to the 7% corporate income tax  
5 rate after 2010) of the net revenue realized from the tax  
6 imposed by subsections (a) and (b) of Section 201 of this Act  
7 upon corporations during the preceding month. Beginning  
8 January 1, 2014 and continuing through December 31, 2014, for  
9 all payments collected on or after December 1, 2013, the  
10 Department of Revenue shall, immediately upon receipt, deposit  
11 into the Local Government Distributive Fund, (i) 6% (10% of the  
12 ratio of the 3% individual income tax rate prior to 2011 to the  
13 5% individual income tax rate after 2010) of the amount  
14 collected from the tax imposed by subsections (a) and (b) of  
15 Section 201 of this Act upon individuals, trusts, and estates,  
16 minus deposits into the Income Tax Refund Fund under subsection  
17 (c), and (ii) 6.86% (10% of the ratio of the 4.8% corporate  
18 income tax rate prior to 2011 to the 7% corporate income tax  
19 rate after 2010) of the amount collected from the tax imposed  
20 by subsections (a) and (b) of Section 201 of this Act upon  
21 corporations, minus deposits into the Income Tax Refund Fund  
22 under subsection (c). Beginning January 1, 2015 ~~February 1,~~  
23 ~~2015~~ and continuing through December 31, 2025 ~~January 31, 2025,~~  
24 the Treasurer shall, immediately upon receipt, deposit into  
25 ~~transfer each month from the General Revenue Fund to~~ the Local  
26 Government Distributive Fund ~~an amount equal to the sum of~~ (i)

1 8% (10% of the ratio of the 3% individual income tax rate prior  
2 to 2011 to the 3.75% individual income tax rate after 2014) of  
3 the amount collected ~~net revenue realized~~ from the tax imposed  
4 by subsections (a) and (b) of Section 201 of this Act upon  
5 individuals, trusts, and estates, minus deposits into the  
6 Income Tax Refund Fund under subsection (c), ~~during the~~  
7 ~~preceding month~~ and (ii) 9.14% (10% of the ratio of the 4.8%  
8 corporate income tax rate prior to 2011 to the 5.25% corporate  
9 income tax rate after 2014) of the amount collected ~~net revenue~~  
10 ~~realized~~ from the tax imposed by subsections (a) and (b) of  
11 Section 201 of this Act upon corporations, minus deposits into  
12 the Income Tax Refund Fund under subsection (c) ~~during the~~  
13 ~~preceding month~~. Beginning January 1, 2025, ~~February 1, 2025,~~  
14 the Treasurer shall, immediately upon receipt, deposit into  
15 ~~transfer each month from the General Revenue Fund to~~ the Local  
16 Government Distributive Fund ~~an amount equal to the sum of~~ (i)  
17 9.23% (10% of the ratio of the 3% individual income tax rate  
18 prior to 2011 to the 3.25% individual income tax rate after  
19 2024) of the amount collected ~~net revenue realized~~ from the tax  
20 imposed by subsections (a) and (b) of Section 201 of this Act  
21 upon individuals, trusts, and estates, minus deposits into the  
22 Income Tax Refund Fund under subsection (c), ~~during the~~  
23 ~~preceding month~~ and (ii) 10% of the amount collected ~~net~~  
24 ~~revenue realized~~ from the tax imposed by subsections (a) and  
25 (b) of Section 201 of this Act upon corporations, minus  
26 deposits into the Income Tax Refund Fund under subsection (c)

1 ~~during the preceding month.~~ Net revenue realized for a month  
2 shall be defined as the revenue from the tax imposed by  
3 subsections (a) and (b) of Section 201 of this Act which is  
4 deposited in the General Revenue Fund, the Education Assistance  
5 Fund, the Income Tax Surcharge Local Government Distributive  
6 Fund, the Fund for the Advancement of Education, and the  
7 Commitment to Human Services Fund during the month minus the  
8 amount paid out of the General Revenue Fund in State warrants  
9 during that same month as refunds to taxpayers for overpayment  
10 of liability under the tax imposed by subsections (a) and (b)  
11 of Section 201 of this Act.

12 (c) Deposits Into Income Tax Refund Fund.

13 (1) Beginning on January 1, 1989 and thereafter, the  
14 Department shall deposit a percentage of the amounts  
15 collected pursuant to subsections (a) and (b)(1), (2), and  
16 (3), of Section 201 of this Act into a fund in the State  
17 treasury known as the Income Tax Refund Fund. The  
18 Department shall deposit 6% of such amounts during the  
19 period beginning January 1, 1989 and ending on June 30,  
20 1989. Beginning with State fiscal year 1990 and for each  
21 fiscal year thereafter, the percentage deposited into the  
22 Income Tax Refund Fund during a fiscal year shall be the  
23 Annual Percentage. For fiscal years 1999 through 2001, the  
24 Annual Percentage shall be 7.1%. For fiscal year 2003, the  
25 Annual Percentage shall be 8%. For fiscal year 2004, the  
26 Annual Percentage shall be 11.7%. Upon the effective date

1 of this amendatory Act of the 93rd General Assembly, the  
2 Annual Percentage shall be 10% for fiscal year 2005. For  
3 fiscal year 2006, the Annual Percentage shall be 9.75%. For  
4 fiscal year 2007, the Annual Percentage shall be 9.75%. For  
5 fiscal year 2008, the Annual Percentage shall be 7.75%. For  
6 fiscal year 2009, the Annual Percentage shall be 9.75%. For  
7 fiscal year 2010, the Annual Percentage shall be 9.75%. For  
8 fiscal year 2011, the Annual Percentage shall be 8.75%. For  
9 fiscal year 2012, the Annual Percentage shall be 8.75%. For  
10 fiscal year 2013, the Annual Percentage shall be 9.75%. For  
11 all other fiscal years, the Annual Percentage shall be  
12 calculated as a fraction, the numerator of which shall be  
13 the amount of refunds approved for payment by the  
14 Department during the preceding fiscal year as a result of  
15 overpayment of tax liability under subsections (a) and  
16 (b) (1), (2), and (3) of Section 201 of this Act plus the  
17 amount of such refunds remaining approved but unpaid at the  
18 end of the preceding fiscal year, minus the amounts  
19 transferred into the Income Tax Refund Fund from the  
20 Tobacco Settlement Recovery Fund, and the denominator of  
21 which shall be the amounts which will be collected pursuant  
22 to subsections (a) and (b) (1), (2), and (3) of Section 201  
23 of this Act during the preceding fiscal year; except that  
24 in State fiscal year 2002, the Annual Percentage shall in  
25 no event exceed 7.6%. The Director of Revenue shall certify  
26 the Annual Percentage to the Comptroller on the last

1 business day of the fiscal year immediately preceding the  
2 fiscal year for which it is to be effective.

3 (2) Beginning on January 1, 1989 and thereafter, the  
4 Department shall deposit a percentage of the amounts  
5 collected pursuant to subsections (a) and (b)(6), (7), and  
6 (8), (c) and (d) of Section 201 of this Act into a fund in  
7 the State treasury known as the Income Tax Refund Fund. The  
8 Department shall deposit 18% of such amounts during the  
9 period beginning January 1, 1989 and ending on June 30,  
10 1989. Beginning with State fiscal year 1990 and for each  
11 fiscal year thereafter, the percentage deposited into the  
12 Income Tax Refund Fund during a fiscal year shall be the  
13 Annual Percentage. For fiscal years 1999, 2000, and 2001,  
14 the Annual Percentage shall be 19%. For fiscal year 2003,  
15 the Annual Percentage shall be 27%. For fiscal year 2004,  
16 the Annual Percentage shall be 32%. Upon the effective date  
17 of this amendatory Act of the 93rd General Assembly, the  
18 Annual Percentage shall be 24% for fiscal year 2005. For  
19 fiscal year 2006, the Annual Percentage shall be 20%. For  
20 fiscal year 2007, the Annual Percentage shall be 17.5%. For  
21 fiscal year 2008, the Annual Percentage shall be 15.5%. For  
22 fiscal year 2009, the Annual Percentage shall be 17.5%. For  
23 fiscal year 2010, the Annual Percentage shall be 17.5%. For  
24 fiscal year 2011, the Annual Percentage shall be 17.5%. For  
25 fiscal year 2012, the Annual Percentage shall be 17.5%. For  
26 fiscal year 2013, the Annual Percentage shall be 14%. For

1 all other fiscal years, the Annual Percentage shall be  
2 calculated as a fraction, the numerator of which shall be  
3 the amount of refunds approved for payment by the  
4 Department during the preceding fiscal year as a result of  
5 overpayment of tax liability under subsections (a) and  
6 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
7 Act plus the amount of such refunds remaining approved but  
8 unpaid at the end of the preceding fiscal year, and the  
9 denominator of which shall be the amounts which will be  
10 collected pursuant to subsections (a) and (b) (6), (7), and  
11 (8), (c) and (d) of Section 201 of this Act during the  
12 preceding fiscal year; except that in State fiscal year  
13 2002, the Annual Percentage shall in no event exceed 23%.  
14 The Director of Revenue shall certify the Annual Percentage  
15 to the Comptroller on the last business day of the fiscal  
16 year immediately preceding the fiscal year for which it is  
17 to be effective.

18 (3) The Comptroller shall order transferred and the  
19 Treasurer shall transfer from the Tobacco Settlement  
20 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
21 in January, 2001, (ii) \$35,000,000 in January, 2002, and  
22 (iii) \$35,000,000 in January, 2003.

23 (d) Expenditures from Income Tax Refund Fund.

24 (1) Beginning January 1, 1989, money in the Income Tax  
25 Refund Fund shall be expended exclusively for the purpose  
26 of paying refunds resulting from overpayment of tax

1 liability under Section 201 of this Act, for paying rebates  
2 under Section 208.1 in the event that the amounts in the  
3 Homeowners' Tax Relief Fund are insufficient for that  
4 purpose, and for making transfers pursuant to this  
5 subsection (d).

6 (2) The Director shall order payment of refunds  
7 resulting from overpayment of tax liability under Section  
8 201 of this Act from the Income Tax Refund Fund only to the  
9 extent that amounts collected pursuant to Section 201 of  
10 this Act and transfers pursuant to this subsection (d) and  
11 item (3) of subsection (c) have been deposited and retained  
12 in the Fund.

13 (3) As soon as possible after the end of each fiscal  
14 year, the Director shall order transferred and the State  
15 Treasurer and State Comptroller shall transfer from the  
16 Income Tax Refund Fund to the Personal Property Tax  
17 Replacement Fund an amount, certified by the Director to  
18 the Comptroller, equal to the excess of the amount  
19 collected pursuant to subsections (c) and (d) of Section  
20 201 of this Act deposited into the Income Tax Refund Fund  
21 during the fiscal year over the amount of refunds resulting  
22 from overpayment of tax liability under subsections (c) and  
23 (d) of Section 201 of this Act paid from the Income Tax  
24 Refund Fund during the fiscal year.

25 (4) As soon as possible after the end of each fiscal  
26 year, the Director shall order transferred and the State

1           Treasurer and State Comptroller shall transfer from the  
2           Personal Property Tax Replacement Fund to the Income Tax  
3           Refund Fund an amount, certified by the Director to the  
4           Comptroller, equal to the excess of the amount of refunds  
5           resulting from overpayment of tax liability under  
6           subsections (c) and (d) of Section 201 of this Act paid  
7           from the Income Tax Refund Fund during the fiscal year over  
8           the amount collected pursuant to subsections (c) and (d) of  
9           Section 201 of this Act deposited into the Income Tax  
10          Refund Fund during the fiscal year.

11           (4.5) As soon as possible after the end of fiscal year  
12          1999 and of each fiscal year thereafter, the Director shall  
13          order transferred and the State Treasurer and State  
14          Comptroller shall transfer from the Income Tax Refund Fund  
15          to the General Revenue Fund any surplus remaining in the  
16          Income Tax Refund Fund as of the end of such fiscal year;  
17          excluding for fiscal years 2000, 2001, and 2002 amounts  
18          attributable to transfers under item (3) of subsection (c)  
19          less refunds resulting from the earned income tax credit.

20           (5) This Act shall constitute an irrevocable and  
21          continuing appropriation from the Income Tax Refund Fund  
22          for the purpose of paying refunds upon the order of the  
23          Director in accordance with the provisions of this Section.

24           (e) Deposits into the Education Assistance Fund and the  
25          Income Tax Surcharge Local Government Distributive Fund.

26          On July 1, 1991, and thereafter, of the amounts collected

1 pursuant to subsections (a) and (b) of Section 201 of this Act,  
2 minus deposits into the Income Tax Refund Fund, the Department  
3 shall deposit 7.3% into the Education Assistance Fund in the  
4 State Treasury. Beginning July 1, 1991, and continuing through  
5 January 31, 1993, of the amounts collected pursuant to  
6 subsections (a) and (b) of Section 201 of the Illinois Income  
7 Tax Act, minus deposits into the Income Tax Refund Fund, the  
8 Department shall deposit 3.0% into the Income Tax Surcharge  
9 Local Government Distributive Fund in the State Treasury.  
10 Beginning February 1, 1993 and continuing through June 30,  
11 1993, of the amounts collected pursuant to subsections (a) and  
12 (b) of Section 201 of the Illinois Income Tax Act, minus  
13 deposits into the Income Tax Refund Fund, the Department shall  
14 deposit 4.4% into the Income Tax Surcharge Local Government  
15 Distributive Fund in the State Treasury. Beginning July 1,  
16 1993, and continuing through June 30, 1994, of the amounts  
17 collected under subsections (a) and (b) of Section 201 of this  
18 Act, minus deposits into the Income Tax Refund Fund, the  
19 Department shall deposit 1.475% into the Income Tax Surcharge  
20 Local Government Distributive Fund in the State Treasury.

21 (f) Deposits into the Fund for the Advancement of  
22 Education. Beginning February 1, 2015, the Department shall  
23 deposit the following portions of the revenue realized from the  
24 tax imposed upon individuals, trusts, and estates by  
25 subsections (a) and (b) of Section 201 of this Act during the  
26 preceding month, minus deposits into the Income Tax Refund

1 Fund, into the Fund for the Advancement of Education:

2 (1) beginning February 1, 2015, and prior to February  
3 1, 2025, 1/30; and

4 (2) beginning February 1, 2025, 1/26.

5 If the rate of tax imposed by subsection (a) and (b) of  
6 Section 201 is reduced pursuant to Section 201.5 of this Act,  
7 the Department shall not make the deposits required by this  
8 subsection (f) on or after the effective date of the reduction.

9 (g) Deposits into the Commitment to Human Services Fund.  
10 Beginning February 1, 2015, the Department shall deposit the  
11 following portions of the revenue realized from the tax imposed  
12 upon individuals, trusts, and estates by subsections (a) and  
13 (b) of Section 201 of this Act during the preceding month,  
14 minus deposits into the Income Tax Refund Fund, into the  
15 Commitment to Human Services Fund:

16 (1) beginning February 1, 2015, and prior to February  
17 1, 2025, 1/30; and

18 (2) beginning February 1, 2025, 1/26.

19 If the rate of tax imposed by subsection (a) and (b) of  
20 Section 201 is reduced pursuant to Section 201.5 of this Act,  
21 the Department shall not make the deposits required by this  
22 subsection (g) on or after the effective date of the reduction.

23 (Source: P.A. 96-45, eff. 7-15-09; 96-328, eff. 8-11-09;  
24 96-959, eff. 7-1-10; 96-1496, eff. 1-13-11; 97-72, eff. 7-1-11;  
25 97-732, eff. 6-30-12.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.